

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001**

**Evolutionary Network Development
Service Changes**

Docket No. N2006-1

**DOUGLAS F. CARLSON
MOTION TO COMPEL
THE UNITED STATES POSTAL SERVICE
TO RESPOND TO INTERROGATORIES DFC/USPS-6, 8 & 9**

May 22, 2006

As I explained in my response to Notice of Inquiry No. 1, plant consolidations may cause the Postal Service to change collection times in the service area of either plant to an earlier hour.¹ The Postal Service has national service standards for collections. These national service standards are published in Chapter 3 of the *Postal Operations Manual*. For all city delivery offices, POM section 322.1 requires a final collection on weekdays at 5:00 PM or later for every collection box located at a post office, station, or branch and for every collection box that receives an average weekday volume of 100 pieces of mail or more. While the Postal Service is efficiently eroding this national service standard in communities around the country by ignoring the national service standard and refusing to correct the problems in response to customer complaints, the national service standards still exist and are mandatory for all city-delivery offices. The national service standards are, at minimum, evidence of the level of service required to meet the Postal Service's statutory mandate to

¹ Douglas F. Carlson Response to Notice of Inquiry No. 1, filed April 4, 2006.

provide adequate and efficient postal services² and to maintain an efficient system of collecting the mail.³

Plant consolidations cause changes in collection times. As I pointed out in my response to the notice of inquiry, the Postal Service's Area Mail Processing (AMP) procedure fails to consider the effect of an AMP proposal on the agency's ability to meet the national service standards for collections. Once facilities are consolidated, the Postal Service changes collection times, and the Postal Service can point to transportation and similar logistical realities when responding to customer complaints about the failure to provide service consistent with its own national service standards. In other words, once plants are consolidated, changes in collection times are a "done deal."

As I explained previously, under the national service standards specified in POM § 322.1, weekday collections at 5:00 PM are significant. Boxes with collections at 5:00 PM or later usually are located at postal facilities or receive a weekday average of at least 100 pieces of mail on weekdays. When collection times change from 5:00 PM or later to a time earlier than 5:00 PM, the change calls for further inspection.

The Postal Service has already admitted that 23 collection boxes in Olympia, Washington, lost collections at 5:00 PM or later in the recent plant consolidation.⁴ The Postal Service has not provided the number of 5:00 PM collections that were lost in the other cities in the service area affected by the consolidation. DFC/USPS-6 attempts to explore the effect of the Olympia consolidation on the Postal Service's ability to provide collections consistent with the national service standards for collections. This interrogatory reads:

For each collection box in the 983, 984, or 985 ZIP Code area whose final weekday collection time was changed from 5:00 PM or

² 39 U.S.C. § 403(a); *see also* 39 U.S.C. § 3661(a).

³ 39 U.S.C. § 403(b)(1).

⁴ Responses of the United States Postal Service to Interrogatories of Douglas Carlson (DFC/USPS-2, 4 and 5), filed April 24, 2006.

later to a time earlier than 5:00 PM due in whole or in part to the consolidation of outgoing mail-processing operations from the Olympia P&DF to the Tacoma P&DC, please provide the location ID number, box address, city, average weekday volume of mail collected, and the date when the volume data were collected.

All these data elements are necessary for me to determine whether the changes in collection times are consistent with the national service standards. The location ID number, box address, and city will allow me to locate the box in the data that I provided in Request for Admission No. 1 and, *inter alia*, to determine whether the box is located at a post office, station, or branch. The volume will allow me to determine whether a collection at 5:00 PM or later is required because the box meets the 100-piece requirement. The freshness of the data also is relevant because the accuracy of relevant data is almost always relevant.

The Postal Service objected to this interrogatory, alleging that it seeks “localized minutiae that are irrelevant to the issues of national policy raised by the request in this proceeding.”⁵ Nothing could be further from the truth. Whether service provided after plant consolidations is consistent with the Postal Service’s statutory mandates is the crux of this case. The AMP guidelines do not require consideration of the effects of plant consolidations on the Postal Service’s ability to meet the national service standards. My plan to examine the effects is necessary and relevant. Little can be gained from a discussion of this issue in the abstract, in part because the Postal Service does not appear to conduct these discussions internally before consolidating plants. Examining a recent, real-life consolidation is an appropriate inquiry that is reasonably calculated to lead to the discovery of admissible evidence.

DFC/USPS-6⁶ requests information on changes in collection times in the 983 and 984 ZIP Code areas in the Tacoma SCF, too. As I will discuss further, I believe that I have evidence that at least one plant consolidation resulted in

⁵ Objections of the United States Postal Service to Carlson Interrogatories DFC/USPS-6 and 8 through 10 (“Objection”) at 2, filed May 8, 2006.

⁶ Douglas F. Carlson Interrogatories to the United States Postal Service (DFC/USPS-6-11), filed May 1, 2006.

cutbacks in collection services in the service area of the surviving plant. Therefore, the scope of DFC/USPS-6 — the service area of the consolidated plant plus the surviving plant — is appropriate.

The Postal Service also notes that the “requester” has “a very intense, well-documented interest in postal collection boxes.” Objection at 2. While I have some concern about how the Postal Service wishes for the Commission to read this statement, in reality, postal customers nationwide should be thankful for my interest in attempting to ensure that agency employees provide service consistent with the national service standards for collections. Thousands of customers have benefited from the later times that I have forced agency employees to implement, and I have spent hundreds of personal dollars and even more hours of time in federal-court litigation compelling disclosure of agency records on collection times. I continue to be astonished by an agency that, when confronted with examples of services that fail to conform to its own regulations, refuses to correct the problems.

Interrogatories DFC/USPS-8 and 9 develop evidence on the apparent propensity for plant consolidations to trigger cutbacks in collection times in the service area of the surviving plant. DFC/USPS-8 reads:

Please provide the date on which outgoing mail-processing operations for the 939 ZIP Code area were transferred from the Salinas P&DF to the San Jose P&DC.

DFC/USPS-9 reads:

Please confirm that the consolidation of outgoing mail-processing operations for the 939 ZIP Code area from the Salinas P&DF to the San Jose P&DC was one reason why final collection times in the 950 ZIP Code area were changed to an earlier hour in 2001 or 2002. If you do not confirm, please explain.

The Postal Service objects on the grounds that these interrogatories “seek information that is patently irrelevant to the issues raised by the request in this proceeding.” Objection at 3. The Postal Service cites the wrong standard.

Interrogatories are permissible if they are reasonably calculated to lead to the discovery of admissible evidence. Rule 26. The date on which outgoing mail-processing operations were consolidated from the Salinas P&DF to the San Jose P&DC may, in and of itself, be irrelevant. However, if the date is sometime in 2001 or 2002, it would explain a sentence in a letter dated April 22, 2002, from Winton A. Burnett, district manager of the San Jose District. Exhibit 1. While the letter was not responsive to my original service complaint dated April 1, 2002, the letter did contain an interesting paragraph: “Our San Jose mail processing facility has reorganized their operation to more effectively meet established delivery service standards. A large percentage of Collection Mail must arrive in San Jose earlier than in the past to facilitate this reorganization.” *Id.* This “reorganization” remained puzzling until I discovered later in that year that mail from the 939 ZIP Code area was being processed in San Jose instead of Salinas. I suspect that this plant consolidation was the impetus for this “reorganization” in San Jose that supposedly necessitated and justified a cutback in collection services in Santa Cruz that, to this day, denies customers in Santa Cruz and other cities in the 950 ZIP Code area the level of collection service to which they are entitled under Chapter 3 of the POM.

Against this backdrop, simple discovery to confirm that the Salinas consolidation occurred around the time of the cutback in collection services in the service area of the surviving plant (DFC/USPS-8) and that the consolidation caused the cutback in collection services (DFC/USPS-9) is highly likely to lead to the discovery of admissible evidence on whether plant consolidations cause changes in collection services that may result in service that falls short of the national service standards and the Postal Service’s statutory mandates.

The Commission should be troubled by the Postal Service’s dismissive statement that these interrogatories “may spark nostalgia in some about an isolated collection box last pickup time change that may have occurred five years ago in some unrelated instance.” Objection at 3. This statement reveals the disdain that the Postal Service and at least one of its attorneys display toward

customers who suffered service cutbacks in First-Class Mail service — a monopoly product — and especially toward those who complained about the service cutback. The Commission has an obligation to allow reasonable discovery into a service cutback related to plant consolidations that the Postal Service clearly wishes not to discuss.

For the reasons discussed herein, I move to compel responses to DFC/USPS-6, 8, and 9.

Respectfully submitted,

Dated: May 22, 2006

DOUGLAS F. CARLSON

EXHIBIT 1

PO Box 7868
Santa Cruz CA 95061-7868
April 1, 2002

Mr. Winton Burnett
District Manager
United States Postal Service
San Jose District
1750 Lundy Avenue
San Jose CA 95101-7000

Dear Mr. Burnett:

I am writing to request your assistance in resolving problems with Postal Service collection services in Santa Cruz. As I will explain in this letter, changes in collection services implemented in March 2002 do not comply with the minimum national service standards prescribed in Chapter 3 of the *Postal Operations Manual*. A memo (copy enclosed) dated July 23, 1999, from W. J. Bothwell, manager, Delivery Policies and Programs at Postal Service headquarters, confirms that the national service standards are mandatory for city-delivery offices. I will explain the numerous shortcomings in collection services in Santa Cruz that now exist and identify the corrections that are necessary.

First, according to POM § 322.1, every collection box that receives an average of 100 pieces of mail or more on weekdays must have a final weekday collection at 5:00 PM or later. Several boxes in Santa Cruz that undoubtedly receive an average of 100 pieces of mail or more on weekdays have a final weekday collection at 3:00 PM. The final weekday collection time on several of these high-volume boxes was changed in March 2002 from 5:00 PM to 3:00 PM. As a result, I do not believe that any street collection boxes except those located at postal facilities have a final weekday collection time later than 3:00 PM. Paragraph 2 of the Bothwell memo leaves no doubt that customers in Santa Cruz are entitled to a weekday collection at 5:00 PM or later at every collection box that receives an average of 100 pieces of mail or more on weekdays.

The absence of street collection boxes with collection times later than 5:00 PM leads to another problem: Some customers now must travel more than two miles in the city to find a collection box that has a weekday collection at 5:00 PM or later. POM § 322.22(a) limits to two miles the distance that any customer must travel from his or her home to a collection box that has a final weekday collection time at 5:00 PM or later.

Second, the Postal Service improperly changed the final weekday collection time at the main post office from 6:00 PM to 5:00 PM. In addition, the Postal Service changed the final collection time at the post office on Saturdays from 5:45

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PM to 5:00 PM. The departure time of the final dispatch truck has not changed. A truck still departs from Santa Cruz at 7:00 PM on weekdays. This late-evening dispatch is necessary to transport mail to the San Jose P&DC from the East Santa Cruz Station, the Scotts Valley Branch, and perhaps other post offices in Santa Cruz County. In addition, when collections at 5:00 PM or later are restored around the city, a dispatch at 6:30 PM or 7:00 PM will continue to be necessary to transport this mail to the San Jose P&DC. Therefore, the former collection times at the post office must be restored. The final page of the Bothwell memo states in no uncertain terms that collection schedules must be set *as late in the day as possible*. The memo reminds district staff that the objective of collection activities is to "collect mail as late in the day as possible with schedules arranged consistent with requirements of the local community and timely handling of mail at the processing point." The memo also prohibits scheduling collections earlier than is logically necessary. I have no doubt that Santa Cruz residents need a final collection at the post office later than 5:00 PM. Moreover, since the dispatch times have not changed and will not change, a final collection at 5:00 PM is not as late in the day as possible. Paragraph 4 of the Bothwell memo confirms my understanding of the meaning of the phrase "as late in the day as possible." The memo states that a collection time two hours before the dispatch truck departs "falls well short of the requirement of performing collections as late in the day as possible." The final collection time at the Santa Cruz post office should be 15 to 30 minutes before the final dispatch truck departs. The current final collection times at the Santa Cruz post office are not as late in the day as possible, and therefore they do not comply with Postal Service policy.

The third problem with the revised collection schedules is that collection boxes are scheduled with uniform collection times of 3:00 PM on weekdays and 3:00 PM on Saturdays. According to POM §§ 313.2 and 313.3, collections should be made "no later than 20 minutes after the posted collection time." The Postal Service is not collecting all the collection boxes in Santa Cruz between 3:00 PM and 3:20 PM. Collection schedules should be staggered so that a box that will never be collected before 5:15 PM or 5:30 PM will have a posted final collection time at 5:15 PM or 5:30 PM. The last page of the Bothwell memo confirms that collection boxes should be posted with a time not more than 20 minutes prior to the collector's normal arrival time.

The fourth problem is the absence of Saturday collections from some collection boxes. Paragraph 6 of the Bothwell memo confirms that every collection box must have a Saturday collection if the box is accessible on Saturdays. Several collection boxes in Santa Cruz do not have a Saturday collection, even though the boxes are accessible on Saturdays.

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The fifth problem concerns removal of collection boxes. A large number of collection boxes was removed from service in March 2002. Postal Service policy permits removal of collection boxes when the collection boxes receive an average of 25 pieces of mail or fewer per day. See POM § 315.4. Based on my knowledge of Santa Cruz, I believe that collection boxes that received at least 25 pieces of mail per day were removed. Removal of collection boxes that receive at least 25 pieces of mail per day is unwarranted. The 25-piece minimum reflects current Postal Service policy. In fact, a January 17, 2002, memo (copy enclosed) from Henry A. Pankey, vice president, Delivery and Retail, explains that the headquarters staff wish to collect data to allow the Postal Service to evaluate whether a revised minimum density might be appropriate. The memo requests that field offices conduct studies and develop a *contingency plan* for removing boxes that do not meet criteria that might be selected. The memo does *not* authorize the widespread removal of collection boxes that has occurred in Santa Cruz and elsewhere in the San Jose District. Removal of these collection boxes by the San Jose District was premature, as the Postal Service would need to obtain an advisory opinion from the Postal Rate Commission before revising the minimum density specified in POM § 315.4. The Postal Reorganization Act provides for a public hearing at the Postal Rate Commission before the Postal Service implements a change in the nature of postal services that will generally affect service on a nationwide or substantially nationwide basis. See 39 U.S.C. § 3661(b). Based on my active participation in Postal Rate Commission litigation, I can confirm that the Postal Service has not requested an advisory opinion yet.

In sum, the collection services that the Postal Service implemented in Santa Cruz deny customers the minimum level of service that Chapter 3 of the POM prescribes. Indeed, the changes are unwise. As the Postal Service struggles to retain volume and repel threats to First-Class Mail volume from electronic alternatives, the Postal Service needs to make First-Class Mail more attractive and more competitive. The changes that the Postal Service recently implemented in Santa Cruz will accomplish exactly the opposite, and they will accelerate declines in revenue and volume. Moreover, by eliminating 5:00 PM collections around Santa Cruz, the Postal Service will force more people into their cars to drive their mail to the post office for a late-afternoon collection. Traffic congestion already was a problem of increasing concern to residents and city leaders in Santa Cruz before these changes were implemented. Finally, in response to episodes of mail and identity theft, the Postal Inspection Service advises customers to deposit outgoing mail in collection boxes instead of leaving it in their home mailbox for their carrier to collect. Removal of collection boxes increases the risk of mail theft.

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I request that you review the changes in collection schedules and promptly implement changes to restore the level of collection services that the POM mandates.

I look forward to receiving your reply by **April 23, 2002**.

Thank you.

Sincerely,

Douglas F. Carlson

July 23, 1999

MANAGERS, DELIVERY PROGRAMS SUPPORT (AREA)

SUBJECT: Early Last Pick-Up Times on Collection Boxes/Points

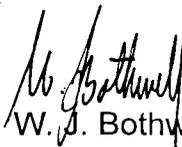
Surveys conducted during recent field visits, focusing on last collection times displayed on collection boxes/points, clearly indicate that some offices are not adhering to the National Service Standards outlined in Chapter 3 of the Postal Operations Manual (POM). These standards are not optional for city delivery offices. Their degree of application to non-city delivery offices is determined by the district manager or his/her designee.

Some of the most frequently noted problems during these visits are listed in the attachment.

Would you please forward these findings to the appropriate manager within each cluster to ensure that scheduled and/or posted collection times are in accordance with the requirements as outlined in the Postal Operations Manual.

All questions concerning the POM requirements, as well as the attached list of problems, may be directed to Doug Wynkoop at (202) 268-2463.

Thank you in advance for your assistance.



W. J. Bothwell

Manager
Delivery Policies and Programs

Attachment

Irregularities Identified During Field Visits

1. Weekday collection times displayed on collection boxes at post offices, stations, and branches are earlier than 5:00 PM as required by the POM;

All collection boxes located in front of main post offices, stations, and branches are required to display a last pickup time decal of 5:00 PM or later for weekday collections (POM 322.22.b).

2. Collection boxes that receive a daily average of 100 pieces of mail per weekday have a final weekday collection prior to 5:00 PM;

In addition to the requirement that all collection boxes located in front of main post offices, stations, and branches display a last pickup time decal of 5:00 PM or later for weekday collections, all collection boxes that generate a daily average of 100 or more pieces on weekdays and boxes needed to meet the requirements in 322.2 regardless of volume must also display a last pickup time decal (POM 322.1). POM 322.22.a further states that time decal boxes will be located in business areas or on main thoroughfares so that customers do not have to travel more than approximately 2 miles from their homes to a box displaying a last pickup time decal. All collection boxes meeting the above criteria are required to display a last pickup time decal and are required to have a 5:00 PM or later collection performed Monday through Friday.

3. Many post offices do not use the required last pickup time decals as required by the POM;

The use of last pickup time decals as specified in POM 322.1 and 322.22.a & b is not optional; all of the collection boxes identified in these sections must display these decals and have a collection performed at 5:00 PM or later.

4. Saturday collections from collection boxes located at main post offices, stations, and branches are not performed as late in the day as possible;

Saturday collections from last pickup time decal collection boxes located at main post offices, stations, and branches should be as frequent as necessary with the last collection from each box as late in the day as possible but in no case earlier than 1:00 PM or 3:00 PM (POM 322.232 and 322.342 respectively). Main post offices, stations, and branches, having delivery personnel returning from street duties during mid to late afternoon on Saturday's, have a later evening dispatch scheduled for mail picked up by letter carriers during delivery as well as all other remaining outgoing mail in the office. This dispatch may be provided by PVS or may originate from the office after all carriers have returned for the day. Offices with a scheduled dispatch departing from the office at 5:00

PM with all remaining outgoing mail should not be posting Saturday's last pickup of the day on collection boxes at either 1:00 or 3:00 PM; rather, the posted time should be 4:30 to 4:45 PM allowing just enough time to get the collection box mail on the dispatch. Posting any time earlier than necessary to connect with the scheduled 5:00 PM dispatch falls well short of the requirement of performing collections as late in the day as possible.

5. Saturday collections from last pickup time decal collection boxes located at other than postal facilities are not performed as late in the day as possible;

All collection boxes that generate an average of 100 or more pieces on weekdays and boxes needed to meet the requirements of POM 322.2 regardless of volume must display a last pickup time decal of 5:00 PM or later for weekday collections (POM 322.1). POM 322.2(a) states that last pickup time decal collection boxes must be located "where needed in business areas or on main thoroughfares so that customers do not have to travel more than approximately 2 miles from their homes to a box displaying a last pickup time decal".

It is evident that Saturday collections from many collection boxes, that meet and/or exceed the criteria for last pickup time decals, are being performed by letter carriers during their normal delivery duties; frequently, collection times displayed on the box were well before the 1:00 PM or 3:00 PM requirement in POM 322.232 and 322.342. If any other means exist that would allow for a later collection from these boxes on a Saturday (such as a collection route or interstation run, etc.), these "last pickup time decal" collection boxes must be picked up as late in the day as possible. The posting of any time earlier than specified in the POM, or where opportunities exist to collect these boxes later in the day, falls well short of the requirement of performing collections as late in the day as possible.

6. Collection boxes have no Saturday collection displayed on the collection time decal;

POM 322.232, 322.342, and 323.41 clearly indicate that mail is to be collected from each collection box at least once Monday through Saturday. Dependent upon volume levels generated, time decal boxes and some other boxes are collected more than once daily when local managers determine it is warranted. The only exception to this rule is that some boxes and mailchutes, due to location, are not accessible on Saturdays; this commonly occurs in industrial parks where buildings and complexes are locked down or gated for security reasons. If the collection box or mailchute exists, and is accessible on Saturday, it must be collected.

Collection requirements in the Postal Operations Manual specify that schedules for the collection of mail are to be arranged, consistent with the requirements of the local community and timely handling of the mail at the processing point.

Scheduling the last pick-up of the day for a vast portion of collection boxes/points earlier in the day than necessary falls well short of that requirement, especially in those instances when the mail is actually collected several hours later.

Collection schedules **must** be set as late in the day as possible, thus allowing customers time to deposit their mail while still providing sufficient time for its collection and handling at the processing point. Collection boxes/points, which are pulled by letter carriers during the course of their rounds, should be scheduled for pick-up approximately twenty minutes prior to the carriers normal arrival time. Or, if the carrier passes the box on the way back to the office, the box should be scheduled for pick-up at the end of the route with a posted pick-up time approximately twenty minutes before the carrier normally completes the route. Those boxes/points having sufficient volume to warrant assignment to a collection route (all day or evening) should also be scheduled with a posted pick-up time approximately twenty minutes prior to the collectors normal arrival time.

The posting of collection times earlier than that specified in the POM, or earlier than logically necessary, makes it very easy for customers to conclude that many collection boxes/points collection times have been shifted to an earlier last pickup up time to circumvent the external measurement system. Area and District staff should take the appropriate action to ensure that all delivery units in their areas are familiar with the requirements outlined in Section 3 of the Postal Operations Manual, and that collection times are scheduled in full compliance with same. They should be reminded that the objective of the Postal Service's collection activities is to collect mail as late in the day as possible with schedules arranged consistent with requirements of the local community and timely handling of mail at the processing point.



April 22, 2002

Douglas F. Carlson
P. O. Box 7868
Santa Cruz CA 95061-7868

Dear Mr. Carlson:

Thank you for your letter of April 1, 2002. The Postal Service is currently monitoring the collection schedule changes and removals made in Santa Cruz. This is an ongoing process and will be continually reviewed. Some boxes may be returned at or in close proximity of their former locations as needs are determined. Also, a process is presently being implemented requiring any and all collection changes be reviewed and approved by the immediate Operational Manager and the District's Manager, Operation Program Support. This will preclude the inappropriate removal of any collection boxes.

Our San Jose mail processing facility has reorganized their operation to more effectively meet established delivery service standards. A large percentage of Collection Mail must arrive in San Jose earlier than in the past to facilitate this reorganization.

The Postal Service is indeed in a state of change and must explore any and all operational changes that will enable us to be financially solvent and provide the same level customer service that are patrons expect and deserve. Our goal continues to be providing our customers with the best service possible.

Thank you.

A handwritten signature in black ink, appearing to read "Winton A. Burnett".

Winton A. Burnett
District Manager, Customer Service and Sales
San Jose District